

Please see corrected version of minutes below.

**RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
JANUARY 27, 2014**

The Board of Directors of the Rhode Island Commerce Corporation (the “Corporation”) met on Monday, January 27, 2014, in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, RI 02908, pursuant to the notice of meeting to all Directors, and the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by the By-Laws of the Corporation and applicable to Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Lincoln D. Chafee, Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Karl Wadensten, Mr. Stanley Weiss, Ms. Elizabeth Francis, and Mr. George Nee.

Directors absent were: Ms. Judith Diaz, Mr. Tim Hebert, and Mr. Jason Kelly.

Also present were: Marcel Valois and Thomas Carlotto.

1. CALL TO ORDER AND OPENING REMARKS

Governor Chafee called the meeting to order at 5:05 p.m. indicating that a quorum was present. The Governor briefly discussed the budget for the State of Rhode Island, as recently presented to the legislature, and highlighted the funding approved for education, workforce development and tax credits. Governor Chafee also noted that the Wickford project was approved by the federal government. Mr. Weiss added that the Wickford project plan was approved with very little alteration, whereas many other proposed projects were denied by the federal government or project plans were substantially altered to gain approval. In conclusion, Governor Chafee discussed various bond issues associated with the University of Rhode Island, the Rhode Island Department of Environmental Management and the Rhode Island Department of Transportation.

2. APPROVAL OF THE PUBLIC AND EXECUTIVE SESSION MINUTES FOR THE MEETING HELD ON DECEMBER 16, 2013

Upon motion duly made by Mr. Adams and seconded by Mr. Weiss, the following vote was adopted:

VOTED: To approve the Public and Executive Session Minutes of the meeting of December 16, 2013, as submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Karl Wadensten, Mr. Stanley Weiss, Ms. Elizabeth Francis, and Mr. George Nee.

Voting against the foregoing were: None.

3. EXECUTIVE DIRECTOR'S REPORT

Governor Chafee introduced Marcel Valois to discuss the Executive Director's Report. See Exhibit B. Mr. Valois stated that a detailed report was available in the Board Member's packages for review and that he would give a brief overview of the highlights contained therein. Mr. Valois began by introducing the Board to Shauna Beland and Bill Ash. He noted that Ms. Beland is working with Hannah Morini in connection with implementation of the Renewable Energy Fund Program and that Mr. Ash is the new Finance Director for the Corporation. Mr. Valois also briefly discussed the Intersections Group, an event hosted by the Rhode Island Foundation and the Corporation, which both he and Governor Chafee attended. He noted that during their presentation at the Intersections Group, there were 21 businesses highlighted for the amazing work they are doing to promote the Rhode Island economy.

Mr. Valois next highlighted the marketing initiatives that the

Corporation intends to roll-out over the next several months. Mr. Valois introduced Melissa Czerwein to give a brief presentation on the various marketing initiatives employed by the Corporation. Ms. Czerwein indicated that the Corporation's goal is to have an integrated, data-rich and data-driven, marketing plan. To that end she noted that there have been four major marketing efforts undertaken. First, the Corporation launched the Greater RI website, www.GreaterRI.com, with the Greater Providence Chamber of Commerce. Second, in order to make the website tangible, a fact book will be assembled, which will provide a narrative containing much of the same information that is available on the Greater RI website. Third, in order to visualize the great work being done in Rhode Island, a 1½ minute video is being prepared to showcase Rhode Island's assets, which can be sent to businesses in order to entice commerce within Rhode Island. Finally, in order to market Rhode Island with one voice, a Pitch Book is being prepared that will permit both public and private organizations to act as ambassadors for the State of Rhode Island. Each of the foregoing initiatives will be launched within the next six months. Following Ms. Czerwein's discussion, Mr. Valois introduced Janet Raymond from the Greater Providence Chamber of Commerce and thanked her for her efforts with respect to the Greater RI efforts.

4. TO RECEIVE A PRESENTATION FROM QUONSET DEVELOPMENT CORPORATION

Governor Chafee introduced Steve King to give a presentation regarding the status of the Quonset Development Corporation (“QDC”). See Exhibit C. Mr. King thanked Governor Chafee and indicated that he had a brief report to give to the Board regarding recent developments with the QDC. Mr. King began his presentation by discussing the QDC’s Lease Incentive Program. According to the Lease Incentive Program, lessees can receive a discount based on (1) the term of its lease with QDC, and (2) job creation based upon payroll reporting to QDC. Mr. Weiss asked for clarification regarding how the discounts work and Mr. King responded that before entering into a lease, QDC vets the potential lessee’s business plan to ensure its business is viable and will be able to honor the lease. He also noted that the discount for job creation based upon payroll reporting to QDC is capped at .5% of the lessee’s payroll. Continuing his discussion and he explained that the QDC Gateway Office, which is 14,300 square foot space with 33 separate offices intended to create opportunity for small businesses to move out of home offices and into office space, was 100% leased within 6 weeks of opening. Finally, Mr. King discussed Electric Boat and indicated that their near term employment was up to nearly 3100 employees, which is mainly driven by the development and construction of training ships. He explained that Electric Boat recently entered in a 25 year lease extension and expansion, which adds 42 acres of space to the lease and the prospect of an additional 3,000 jobs over the next 10 years. Governor Chafee added that the jobs offered by Electric Boat are very good, well paying jobs with great benefits. Mr. King added that the

average salary for employees with Electric Boat is in the \$50,000.00 range.

Mr. King moved on to discuss other calendar year 2013 highlights for the QDC. Mr. King noted that several lessees expanded operations, including a NORAD expansion in preparation for the arrival of Honda, new fast ferry docks, new Electric Boat buildings, the arrival of new tenants AmWins and Rapid Prep, the installation of the West Davisville Solar Rooftop, the expansion of Compass Circle and the dredging of the Port of Davisville. Next Mr. King discussed upcoming projects and projects that have recently commenced construction. Specifically, Mr. King discussed the construction of a new branch of BankNewport, the expansion of Superfina, WellOne and Electric Boat, the construction of Fresh Wave Frozen Yogurt and a Co-Generation project by Toray Plastics. Governor Chafee asked about the Co-Generation project and Mr. King explained that the Toray Plastics received a generator from Japan. The generator is comprised of two large pieces of equipment, which were removed from a barge by the new 135 ton capacity harbor crane at the port, and were then offloaded and sent via rail through the business park to Toray Plastic's leased property.

Mr. King concluded his presentation with a discussion regarding the Port of Davisville. He noted that a record breaking 173,295 vehicles were delivered to the United States through the Port. 2013 was the 4th consecutive record breaking year for volume, which is anticipated

to increase with Honda beginning to ship through the Port of Davisville in the second quarter of 2014. Mr. Adams asked what effect the opening of the expanded Panama Canal in 2015 will have on the Port, to which Mr. King responded that the supply chain is well established and takes substantial time to change. Mr. King added that the ability for ships to more easily reach the East Coast will result in pressure on the rail service, which currently ships many vehicles to the East Coast. The rail service will likely have to make their pricing more competitive to keep ships from traveling directly to the East Coast of the United States.

The Governor then thanked Mr. King for putting on a presentation for the Board.

5. TO CONSIDER FOR APPROVAL THE RENEWABLE ENERGY FUND EARLY STAGE COMMERCIALIZATION PROGRAM APPLICATION OF RTERRA PV SOLUTIONS, LLC IN THE AMOUNT OF \$300,000.00

Governor Chafee called on Hannah Morini to give a presentation regarding the application of rTerra PV Solutions, LLC (“rTerra”). See Exhibit D. Ms. Morini began her presentation by reminding the Board that they received a presentation from rTerra at the December 2013 Board Meeting. Ms. Morini reiterated that rTerra applied for funding in August 2013 pursuant to the Early Stage Commercialization Program (“ESP”). Ms. Morini continued that the goal of the ESP is to incentivize the development of emerging technology within the renewable energy space and that rTerra’s technology, a flexible

mounting system for solar panels, achieves that goal. She noted that rTerra's application has gone through an extensive review by the Renewable Energy Program staff, the Access to Capital Subcommittee and previously by the Board. Ms. Morini indicated that the reviewing parties are comfortable with the technology produced by rTerra and its business plan, however, Board approval of the application would be conditional upon a final review of financial documents and the approval of the Access to Capital Subcommittee. Mr. Weiss indicated that there was additional information that he expected to be made available at the next subcommittee meeting that would permit the Access to Capital Subcommittee to make a final determination relative to approval. Mr. Valois reminded the Board that any funding of rTerra under the current application is in the form of a recoverable grant under the ESP program, which is venture capital based and carries with it certain inherent risks. Mr. Nee then questioned the job creation aspect of the grant to rTerra, to which Ms. Morini noted that rTerra has agreed to keep its headquarters in Rhode Island and that certain manufacturing will be relocated from out of state to Rhode Island. Finally and at the request of the Board, Joseph Tomlinson of rTerra, discussed the company's business model to clarify any remaining questions.

Upon motion duly made by Mr. Fiore and seconded by Ms. Brawley, the following vote was adopted:

VOTED: To approve the Renewable Energy Fund matters, pursuant to

the Resolution submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Karl Wadensten, Mr. Stanley Weiss, Ms. Elizabeth Francis, and Mr. George Nee.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit E.

6. TO CONSIDER FOR APPROVAL A CONSULTANT AGREEMENT FOR ECONOMIC DEVELOPMENT PLANNING SERVICES

Mr. Valois noted that pursuant to the recent restructuring act, the legislature mandated that the Corporation, together with the Division of Planning, must submit to the general assembly an economic development plan for the State of Rhode Island by October 30, 2014. Mr. Valois then recommended that the Corporation retain Fourth Economy to provide economic development planning services in an amount not to exceed an additional \$35,000.00 above the amount that was already authorized. Mr. Valois noted that Fourth Economy was previously part of an RFP Process and was approved by the Road Map Subcommittee of the Board.

Upon motion duly made by Ms. Donohue and seconded by Mr. Fiore, the following vote was adopted:

VOTED: To approve a consultant agreement for economic development planning services, pursuant to the Resolution submitted

to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Karl Wadensten, Mr. Stanley Weiss, Ms. Elizabeth Francis, and Mr. George Nee.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit F.

7. TO CONSIDER FOR APPROVAL THE PROCESS IN RELATION TO FORMULATION AND APPROVAL OF THE ANNUAL BUDGET

Mr. Valois next noted that the Board is required to adopt a process and procedure in connection with the formulation and approval of an annual budget for the Corporation, also as mandated by the legislature pursuant to the recent restructuring act. Mr. Valois recommended that the Executive Committee of the Corporation would formulate a budget to be presented to the Board for adoption no later than August 2014. Mr. Valois noted that the Executive Committee is comprised of Governor Chafee, Mr. Adams and Mr. Weiss.

Upon motion duly made by Mr. Nee and seconded by Ms. Brawley, the following vote was adopted:

VOTED: To approve the budgeting process, pursuant to the Resolution submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Karl Wadensten, Mr. Stanley Weiss, Ms. Elizabeth

Francis, and Mr. George Nee.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit G.

Vote to Adjourn.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 6:12 p.m., upon motion made by Mr. Adams and seconded by Mr. Wadensten.

Thomas Carlotto, Secretary